




TO: Chief Elected Officials
Workforce Investment Board Chairpersons
Regional Workforce Chairpersons
Workforce Investment Board Directors
Regional Directors

FROM: Ronald L. Stiver 
Commissioner

DATE: April 24, 2006

SUBJECT: DWD Policy 2005-16
Competitive Procurement of Regional Operators, Fiscal Agents, and
Service Providers for Program Year 2006

Purpose

To provide policy and guidelines regarding the procurement of Regional Operators, Fiscal Agents, and Service Providers for Indiana's workforce areas. These persons will begin in the Indiana Department of Workforce Development system July 1, 2006 according to Indiana's Strategic Two Year Plan for Title I of the Workforce Investment Act of 1998 and Wagner-Peyser Act, Modification I, Amendment 1, approved by the United States Department of Labor on November 28, 2005.

Rescissions

None

Content

All Regional Workforce Boards shall establish full and open competitive processes by which to procure Regional Operators, Fiscal Agents (as appropriate), and Service Providers for all workforce programs under their direction.

Regional Operator

The Regional Operator shall be an independent contractor hired by the Regional Workforce Board in a full and open competitive process. The competitive process must include at least the following elements:

- A formal, public, printed announcement
- An applicants' conference (optional)
- A pre-established and published set of selection criteria (which include applicant's past performance)
- Pre-set weightings for the above criteria
- A formal, hardcopy application
- A documented application review
- Documented negotiations between the Regional Workforce Board and the successful candidate
- A legal contract between the Regional Workforce Board and the Regional Operator detailing goals, procedures, and obligations, including deliverables

Proposing entities shall be assessed by at least the following criteria:

- Satisfactory record of past performance in providing similar services
- Satisfactory record of organizational integrity and fiscal accountability
- Necessary organizational experience and operational controls
- Adequate management and participant data systems to generate timely and accurate reports
- Ability to meet the desired goals at a reasonable cost

Applicants should also provide the following and may be required to provide other documents as well:

- A list of the applicant's Board of Directors, Officers, and Owners
- The most recent financial statement or audit
- Corporate status and statement of incorporation

Any individual, partnership, or incorporated organization, for-profit or non-profit, may apply.

The Regional Workforce Board shall select the Regional Operator who shall serve as staff to the Board, but remain an independent contractor.

All contracts for Regional Operators shall be no longer than two years in duration. Contract extensions at the discretion of the Regional Workforce Board for up to 12 months may be allowed contingent upon successful execution of the Regional Operator duties under the contract and successful operation of the programs.

Fiscal Agents

If the Regional Workforce Board chooses not to utilize the State procured Fiscal Agent, then the Region's Fiscal Agent shall also be an independent contractor hired by the Regional Workforce Board in a full and open competitive process, which shall at a minimum include the same elements as mentioned above for the selection of Regional Operators.

Any individual, partnership, or incorporated organization, for-profit or non-profit, may apply. The same entity may apply for and serve as both Regional Operator and Fiscal Agent.

The Regional Workforce Board shall select the Fiscal Agent who will serve as fiscal staff to the Board but remain an independent contractor. Persons serving as fiscal staff to the Board are employees of the Fiscal Agent, not the Regional Workforce Board.

All contracts for fiscal agents shall be no longer than two years duration. Contract extensions for up to 12 months may be allowed and are contingent upon satisfactory performance as determined by the Regional Workforce Board.

The Regional Workforce Board may combine the Requests For Proposals and have a single entity serve as both Regional Operator and Fiscal Agent.

Service Providers

The Service Providers shall be independent contractors. There may be no more than six Workforce Investment Act service providers in a region. The Regional Workforce Board must approve the Regional Operator Request for Proposal and may participate in the selection process at the level it desires.

The Request for Proposal for service provider(s) is to be issued by the Regional Operator in a full and open competitive process in a manner similar to that used to select the Regional Operators. It shall, at a minimum, include the same elements and criteria as mentioned above for the selection of Regional Operators.

There are *two options* in the selection of service provider(s):

Option One. The Regional Operator will competitively procure and contract with service provider(s). The Regional Operator's Request For Proposal for service provider(s) must be reviewed and accepted by the Regional Workforce Board and the Regional Workforce Board may elect to participate in the proposal review and service provider(s) selection process.

Option Two. The Regional Operator will competitively procure service provider(s) and, at the discretion of the Regional Workforce Board, the service provider contracts may be between the Regional Workforce Board and the service provider(s) under the following three conditions:

- The Regional Operator's Request for Proposal for service provider(s) must be reviewed and accepted by the Regional Workforce Board.
- The Regional Workforce Board must actively participate in the proposal review and selection processes for service provider(s).
- The Regional Operator must serve as the Regional Workforce Board's agent in the oversight, directing and monitoring of the service provider(s) and the service provider(s) contracts.

Applicant organizations shall present a plan for service levels and deliverables including, but not limited to, the following categories:

- Number to be served
- Number to complete services
- Clients' status at exit
- Job placement rates
- Job retention rates
- Credential/skill attainment rates
- Earnings gains

A service provider's contract is limited to 2 years, but may be extended (without another competitive bid process) for a period of not more than 12 months after the original end date if it met its performance measures at the most recent evaluation/monitoring. These extensions also shall not extend more than 12 months after the original end date.

Per State law, a Regional Operator or Fiscal Agent may not be simultaneously both service provider and Regional Operator or Fiscal Agent in the same region.

Effective Date

Immediately

Ending Date

June 30, 2008

Ownership

Partner Services

Action

All Indiana Regional Workforce Boards and their sub-grantees receiving funding through the Indiana Department of Workforce Development are directed to implement the policy details of this document and comply with this policy and related regulations when procuring services or service providers. All procurement transactions must be conducted in a documented manner that provides full and open competition consistent with these standards.

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